

ORDER TO ADOPT
Title 13, Division 1, Chapter 1
Article 4.2 – Vehicle Dealers

§ 272.00. Business Records.

(a) Pertinent records of a licensed dealer which ~~must~~ shall be open to inspection pursuant to Vehicle Code ~~§~~section 320 are those records maintained in the regular course of business insofar as those records are directly concerned with the purchase, sale, rental or lease of a vehicle.

(b) Unless otherwise specified by statute, all business records relating to vehicle transactions shall be retained by the dealership for a period of not less than three years.

(c) Nothing in this section shall relieve a dealer from maintaining records as required by any other state or federal law or regulation.

Note: Authority cited: Section 1651, Vehicle Code. Reference: Sections 320, 4456, 5753, 11709, 11712 and 11714, Vehicle Code.

§ 272.02. Location of Business Records.

~~A vehicle dealer may, at his option, maintain the business records of the dealership at the office of the principal place of business; or if the dealer has a branch location(s), records peculiar to that branch may be maintained either at such branch location or at the principal place of business. Upon approval of the department, the records may be maintained at a business location other than as required in this section, provided a written instrument is filed with the department describing such other location and granting the department authorization to inspect the records thereat.~~

(a) A dealer shall maintain all original business records at its principal place of business or branch location for at least 18 months after the purchase, sale, rental, or lease of a vehicle.

(b) If a dealer has a branch location, business records relating to transactions that take place at that branch location may be maintained either at the branch location or at the principal place of business.

(c) After the initial 18-month record retention period required pursuant to subdivision (a), a dealer may maintain the original business records at an offsite storage location within California, provided that the original business records are retrievable upon three business days notice and the business records are stored in a manner that meets any applicable safeguard requirements pursuant to 15 U.S.C. section 6801(b).

(d)(1) A dealer may create an electronic copy of an original business record at any time. After the initial 18-month record retention period required pursuant to subdivision (a), an electronic copy of an original business record shall satisfy the record retention

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requirements for the remainder of the three-year record retention period provided all of the following requirements are satisfied:

(A) The electronic copy is created in a non-alterable format;

(B) The electronic copy is retained in a format that permits the document to be readily accessible and retrievable;

(C) The electronic copy is a legible, complete and accurate reproduction of the original business record;

(D) A back-up copy of the electronic copy is retained at an on-site or off-site location in a manner that permits the business record to be retrieved upon three business days notice;

(E) Any access device, server, network device, or any internal or external storage medium used for storing the electronic copy or back-up copy has access controls and physical security measures to protect the records from unauthorized access, viewing or alteration.

(2) A dealer that makes an electronic copy of an original business record that meets the requirements of this subdivision (d) may dispose of the original business record, provided that the original business record is disposed of in a manner that meets the requirements of Civil Code section 1798.81.

(e) Use of a third party to physically or electronically store business records shall not reduce a dealer's responsibility to produce a business record when required.

Note: Authority Cited: Section 1651, Vehicle Code. Reference: Sections 320, 1801.1, 4456, 5753, 11709, 11712 and 11714, Vehicle Code; and Section 1798.81, Civil Code.